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21 July 1982

MEMORANDUM FOR: Executive Committee Members

FROM: [REDACTED]

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Executive Assistant to the DDCI

SUBJECT: Minutes of 14 July 1982 Executive Committee Meeting: Review of 1984 Program

1. The Executive Committee met on 14 July 1982 to review the Office of the Comptroller's proposed 1984 CIA Program. Mr. [REDACTED] (ExDir) chaired the session; participants included Messrs. Stein (DDO); Fitzwater (DDA); Gates (DDI); Taylor (ADDS&T); Childs (Comptroller); [REDACTED] (Deputy Comptroller); and members of the Comptroller's Staff.

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2. [REDACTED] noted this was the beginning of developing the 1984 budget, not the end, and adjustments could be made as more external guidance became available. He requested the Committee's collective guidance on what would constitute the best Agency package given guidance received to date, the 1985 Capabilities Study, and preliminary signals from Defense favoring the low guidance figure. He stressed the importance of completing the capital investment program begun last year because this would probably be the last opportunity to focus serious attention on these needs. [REDACTED] noted that potential issues for consideration included whether the Agency could accommodate [REDACTED] over guidance in ongoing initiatives at the expense of new initiatives; the [REDACTED] and how big it should be; and whether any potential revisions should be made now or later, when the final guidance figures are available. He then asked for members' views.

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3. Mr. Fitzwater was pleased with the base, which should preclude the numerous support reprogrammings of the past. If held to low guidance, the Agency would lose several important DDA packages (37-49). He urged support for the new building and for sustaining the momentum of the communications recapitalization program. He precipitated a discussion on the pros and cons of funding the new building incrementally over two years. The general consensus was not to change the ranking of the new building and risk losing some of the funds. Mr. Fitzwater noted the importance of the new payroll system. [REDACTED] concurred and voiced support for the general thrust of the proposed budget in providing for fundamental needs.

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4. Mr. Gates explained that his Directorate had developed its portion of the Agency program based on two assumptions. First, if the Agency were lucky, it could expect a level of real growth in 1984 about the same as in 1983--15 percent. At the same time, the Government will be going into an election year

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facing a possible deficit of [redacted] The Agency should therefore be mindful of the above in considering tactics for presenting its program. Second, the DDI opted for measured growth over a period of years, resulting in a range of initiatives with similar priorities in 1984. He noted that at low guidance, the DDI had a negative 5.6 percent growth and at high guidance, a 3.5 percent growth rate compared to much higher levels for the other Directorates. He fully supported the recapitalization efforts reflected in the other Directorate programs and stressed the DDI, too, was in need of recapitalization in the form of people. He then highlighted examples of substantive areas in which the DDI's ranks were very thin. He also noted the emphasis that senior executive and legislative officials outside the building placed on enhancing analytical capabilities.

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5. As an alternative ranking, Mr. Gates recommended a DDI program of 5.3 percent real growth at or below low guidance. He suggested moving [redacted] further out to accomplish this. The Agency would then be in a position to demonstrate that it was recapitalizing across the board, including its analytic capabilities, which affect the policymakers directly. He also suggested moving the new building just outside low guidance, to convey both the importance of the building and an Agency-wide concern to get its work done.

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6. [redacted] cited the impact of the SAFE funding profile on the DDI's program. He said that he was open to Mr. Gates' suggestions.

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7. Mr. Taylor recommended requesting a program at the high guidance [redacted] mark. He believed that program would have a ready constituency. Mr. Taylor found the proposed ranking sound. He believed the new building and NPIC upgrade rankings were about right. In response to [redacted] question, he said that IDEX should not be vulnerable because of difficult experiences with SAFE. Mr. Taylor observed that some things outside of high guidance were worth doing and would be worth another look once it becomes apparent what the traffic will bear.

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8. Mr. Stein said that he would be glad to trade [redacted] for DDI's new initiatives if CRAFT could be protected better. He pointed out that CRAFT was in the building and working. He then reviewed the rationale of the program his Directorate had submitted, pointing out the importance of counterintelligence, counterterrorism, [redacted] and ALLSTAR, all of which were vulnerable as ranked. He suggested moving [redacted] which he believed he could defend on its own merits, out a little further to provide more protection for the above programs. Mr. Childs said that he would revise the ranking accordingly.

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9. [redacted] then reviewed a number of other potential issues, including research and development, adequate funding for OTS, FBIS modernization, the IAD global package, recruitment,

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training, [redacted] He then concluded that the Agency should recommend a 1984 program at the high guidance [redacted] mark. He noted a consensus to move the [redacted] package, expressed sympathy with Mr. Gates' suggestions, and asked the Comptroller to consider an alternative ranking to accommodate both these concerns. Mr. Fitzwater pointed out the need to consider the impact of any revisions on the supplemental support packages.

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10. Noting the Committee would reconvene the next day if necessary, [redacted] adjourned the meeting.

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cc: Comptroller

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